CHAPTER I

INTRODUCTION

**Regional Office Monitoring of
Unemployment Insurance Quality Control**

1. **Purpose and Structure of the Handbook**. This QC monitoring handbook provides a systematic approach for the Regional Offices in reviewing and supporting SESA administration of the Quality Control program. Such systematic review will enable Regional Office staff to compile a comprehensive body of knowledge concerning the program in each SESA. More important, Regional monitoring is done to ensure that each UI Quality Control program is operated in accordance with QC requirements as set forth in Federal regulation and in ET Handbook No. 395, Benefits Quality Control State Operations Handbook.

The Handbook is structured to offer a standardized method of gathering, analyzing, and presenting findings of a variety of program operation reviews. Additionally, it offers examples of appropriate leadership efforts that the Regions may undertake to foster effective QC programs in the States, and for the provision of technical assistance and support to the SESAs when necessary and feasible. For detailed guidance on how to use the automated Regional Monitoring System, this Handbook makes reference to ET Handbook No. 404.

This chapter examines first the three distinct responsibilities of the Regions in the State QC programs. These responsibilities are defined in UI/QC policy and program directives as follows:

     a. to provide <u>program leadership</u>, working actively with SESA management and staff to implement a sound UI Quality Control program and to promote long-term UI program improvements based upon analysis of QC and other UI data and the interpretation of QC findings.

     b. to provide <u>technical support</u> in the development and maintenance of the UI Quality Control program in each State, and

     c. to <u>monitor</u> (oversee and assess) SESA QC program operations and staff performance by way of periodic progress reviews in order to foster and maintain an effective Quality Control program in each SESA.

Following that, this chapter briefly identifies the <u>types of QC reviews required</u> during the program year, explains briefly the <u>scope of the general monitoring process</u>, and identifies the relationship of Regional and National Office staff in the conduct of their respective functions in this important UI program.

Finally, this chapter describes briefly the content of the other seven chapters which complete the Monitoring Handbook.

2. Regional Office Responsibilities in Quality Control. The role of the Regional Office in Quality Control is broad. In their relationships with SESA UI management and staff, the Regional staff alternately play a role of monitor, technician, advisor, and evaluator. Implementation of Quality Control in a program as complex as Unemployment Insurance calls for active leadership and strong technical support from each Region. These QC program responsibilities are discussed below.

     a. QC Program Leadership. A major responsibility of the Regional Office is to provide active program leadership to the SESAs to foster an effective Quality Control operation. The ultimate goal, of course, is to foster long-term UI program improvement measures based upon Quality Control findings. ("Program improvement" is used here to cover a wide range of operational, policy, and program changes that may be undertaken by SESA management to ensure proper operation of the UI system.)

     Regional Office leadership can involve such specific efforts and actions as:

     o   Reviewing QC data and other UI operational information
          to identify factors which adversely affect proper
          payments. The Region can also assist SESA staff in QC
          data analysis and in the interpretation and
          presentation of their findings to SESA management.

     o   Working with SESA principals in formulating and testing
          program improvement measures, especially those revealed
          via program improvement studies.

     o   Setting up conferences or seminars for SESA and
          Regional staff on the utilization of QC data findings
          for the improvement of UI payment operations.

     o   Encouraging SESAs to develop and submit proposals for
          funds to implement Quality Control Program Improvement
          recommendations within their mainstream unemployment
          insurance program, and monitoring and providing
          technical assistance in the implementation of the
          proposed program improvement activities if the SESA is
          successful in obtaining a grant.

     o   Identifying and documenting SESA QC developments and
          facilitating the exchange of information among the
          States regarding UI program improvements.

     b. Implementation of UI/QC Support. Varying from State to State, there are a number of ways that the State agencies can benefit from Regional Office technical support in refining their

QC operations. A few examples of such Regional staff support are:

> o   Collaboration with National Office UI/QC staff in developing training in QC case investigation methodology for SESA investigative staff. Such training should be presented by the Regional Offices with the support of the National Office.
>
> o   Encouraging and assisting SESAs to plan program improvement studies, and in making use of the findings of such studies to bring about feasible corrective actions.
>
> o   Identifying the need for other technical training for SESA QC staff (for example: nonmonetary determination training) and offering assistance, if appropriate, to the SESAs in developing and providing such training.
>
> o   Working with States in planning and later monitoring pilot QC projects and special studies carried out by the SESAs. Also, encouraging and reviewing SESA participation in studies and program evaluations independently funded by the National Office.

   c.   Monitoring SESA QC Operations and Staff Performance.
Regional Office oversight of State QC operations and investigative performance is generally realized through periodic field reviews or monitoring trips to the SESAs. Such monitoring involves a number of activities, for example:

> o   Review periodically samples of SESA-investigated claims, in order to assess the accuracy and completeness of a SESA's QC case investigation performance. These case reviews are to be conducted on-site -- at least every other quarter -- and in the Regional Office by way of mailed-in case samples, if SESAs concur.
>
> o   Conduct methods and procedures (M & P) reviews of each SESA bi-annually, and monitor M & P elements on an on-going basis to determine if the SESA adheres to Quality Control organizational and procedural methodology.
>
> o   Review, periodically, SESA sample selection and assignment practices, timeliness of SESA QC case completion, and case reopening practices.
>
> o   Investigate, on occasion, specific sampling exceptions that may occur among SESAs and that may reflect

aberrations in the sampling process which need to be corrected by the respective SESAs.

o   Recommend appropriate administrative and procedural QC corrective action and negotiate with SESA staff for acceptance of such recommendations.

o   Carry out an end-of-year assessment of the status of each SESA Quality Control program. This assessment, called the Annual QC Administrative Determination, is based on monitoring conducted throughout the year and assesses the relative strengths and weaknesses of each SESA program. It serves as a vehicle by which Regional Administrators annually inform each SESA regarding its compliance with basic Quality Control regulations.

3. <u>Contents of the Handbook</u>. The remaining sections and content of the Handbook are summarized below:

a.   <u>Methods and Procedures Reviews</u>. Chapter II describes the review of the organizational location of the SESA QC unit, its operating authority, the adequacy of written QC procedures, and QC forms. The formal bi-annual review and on-going monitoring will determine if the SESA's QC operations are being administered in compliance with QC organizational and methodological requirements.

b.   <u>Sampling Review</u>. Chapter III describes the review of the SESA's selection of cases to ensure adherence to established standards of random selection and assignment. It also identifies a number of sampling exceptions that occur occasionally in SESA sampling data and which require Regional investigation and SESA resolution.

c.   <u>Timeliness Review</u>. Chapter IV sets forth the requirements for timely completion of SESA QC case investigation and describes the process of Regional Office review of case completion timeliness.

d.   <u>Case Review</u>. Chapter V describes the process of reviewing QC cases to assess the adequacy of the investigation and the accuracy of the coding of case data.

e.   <u>Support for Case Review</u>. Chapter VI contains a description of the case review reporting system developed for use by Regional Office monitors. It describes the types of reports which will be generated and provides an explanation of their usage and their relationships to the required reviews described in other chapters.

f. <u>Review Completion, Corrective Action, Dispute Resolution, and Annual QC Administrative Determination</u>. Chapter VII describes actions necessary by Regional staff during and subsequent to a monitoring trip to bring about required QC corrective action, dispute resolution, or review closure whenever SESA QC operations meet QC requirements. Guidance is provided for Regional Office technical assistance in the planning of SESA QC operational changes and for working to achieve an acceptable resolution of disputed issues.

g. <u>Review Documentation and Regional Office Reporting</u>. Chapter VIII provides guidelines for achieving adequate documentation of review findings necessary for assessment of SESA progress and for preparation of subsequent quarterly reports to the National Office, as well as for communicating findings to the SESAs.

h. <u>Appendices</u>. Appendices consist of reference documents and copies of all worksheets to be used for monitoring and reporting on the Quality Control program.

4. <u>Types of Reviews, the Process, and the Participants</u>.

a. <u>Types of QC Reviews</u>. Regional Office monitoring involves three types of review of SESA QC operations -- Annual QC Administrative Determination, Methods and Procedures Reviews and Program Reviews as follows:

(1) <u>Annual QC Administrative Determination</u>. This is a once-a-year determination of a SESA's compliance with established Quality Control requirements. This determination is based upon the findings of the M & P review of each SESA bi-annually, or on-going monitoring of M & P elements in non-review years, and the final progress reviews in other major QC program operations.

(2) <u>Methods and Procedures (M & P) Review</u>. A formal review should be conducted bi-annually. Monitoring of the following four program elements should be continuous:

- Organization
- Authority
- Written Procedures
- QC Forms

(3) <u>Program Reviews</u>. The following QC program facets are monitored by the Regions periodically and at the close of the program year:

(a) Timeliness of SESA case completion.

(b) SESA sample selection, assignment, and sampling exceptions.

(c) SESA case investigation/verification -- a review of a random sample of completed QC cases to assess the adequacy of SESA investigations and the accuracy of data collection coding. Reviews encompass the QC methodology defined in Federal regulation and contained in ET Handbook No. 395, Benefits Quality Control State Operations Handbook.

(d) SESA case reopening activity.

b. <u>The Monitoring Process</u>. Monitoring a SESA's QC program by Regional Office staff may involve some or all of the following processes:

(1) Reviewing subject areas for compliance with QC methodology as prescribed by Federal regulation and ET Handbook No. 395, Benefits Quality Control State Operations Handbook;

(2) Obtaining QC program corrective actions by SESAs to resolve QC operational deficiencies;

(3) Resolving disputes when a SESA disagrees that a QC program corrective action is necessary;

(4) Maintaining records and making reports; <u>and</u>

(5) Preparing the Annual QC Administrative Determination concerning each SESA's compliance with QC requirements.

Supplemental information on the Regional Office monitoring process is provided in Appendix A in the form of a Monitoring Process Flow Chart (App. A-1) and a Monitoring Process Explanation (App. A-2).

c. <u>Participants</u>. Regional Offices have primary responsibility for monitoring QC operations in the SESAs. National Office staff will participate on a limited basis, as follows:

(1) Will assist in staff training and provide other technical assistance, when requested by Regional Offices, and when feasible.

(2) Will rereview cases in selected States to increase uniformity of case review among Regions

(3) Will review quarterly reports submitted by Regional Offices and will review the findings and conclusions of

the Regional Offices' bi-annual Methods and Procedures reviews in an effort to ensure the integrity of the State QC program

       (4) Will review Annual QC Administrative Determinations following Regional issuance to the SESAs.

5. <u>Review Calendar</u>. Monitoring activities are to be scheduled in order to accomplish the following reviews in a timely manner.

<u>Schedule</u>	<u>Program Facet</u>
a. Ongoing	SESA completed QC cases SESA case reopening activity M & P elements
b. Quarterly	SESA sample selection, assignment, and exceptions Timeliness of case completion by SESAs
c. Bi-annually	Methods and Procedures formal review
d. Annually	QC Administrative Determination Case reopenings